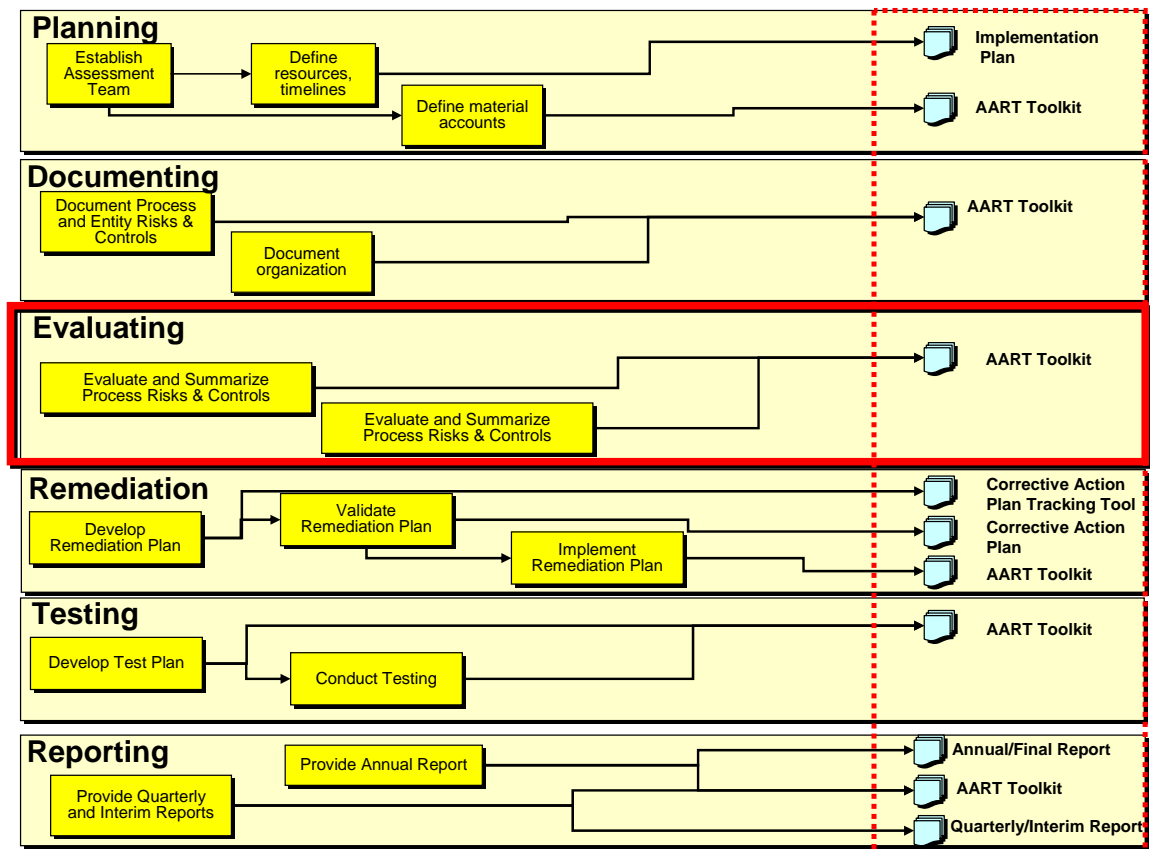








## Quick Start Guide 3 - Evaluating



Purpose	<ul style="list-style-type: none"><li>Evaluate the effectiveness of design for internal controls over financial reporting related to departmental financial statements.</li></ul>
Key Activities	<ul style="list-style-type: none"><li>Perform Risk Assessment</li><li>Assess Process and Sub-Process Control Design Effectiveness</li><li>Assess Entity Control Design Effectiveness</li></ul>
Required Templates	<ul style="list-style-type: none"><li>AART Toolkit</li></ul>



Document Legend	
	Professional Judgment
	Required
	Note
	Tip

## PROCEDURES



*The Evaluating phase will now be completed by the Site Assessment Team or its designated representative(s).*

### ★ *A. Risk Assessment of Processes and Entity Controls*

1. Refer to the AART Toolkit – PCS-Assess and ECS-Assess worksheets and rate and record the Likelihood<sup>1</sup> and Impact for each documented risk at the sub-process level as H (High), M (Moderate) or L (Low).



**"What is the negative impact if this control does not work effectively?"**

Likelihood		Impact	
High	Probable occurrence	High	Considerable impact on financial statements
Moderate	Possible occurrence	Moderate	Some impact on financial statements
Low	Negligible occurrence	Low	Does not impact financials statements much.

**Figure 1<sup>2</sup>**

**AART: PCS Assess** Version: 3.0

Site	LLNL
Attester	Dean Childs
Implementer	Ard Geller
Date Updated	February 22, 2006

**Insert Row** **Delete Row**

*Make sure the active cell is in the input section (below row 13) to use the Insert Row and Delete Row functions.*

**Example of Impact Risk Factors:**

- Loss of Productivity
- Lack of Credibility

Process Cycle	Processes	Sub Processes	Risks	Likelihood	Impact	Risk Assessment	Controls	Ctrl Type	Ctrl Freq	Control Effectiveness	Test	Control Ineffective
P2P	Acquisition	Create Requisition	Person creates a requisition for an unapproved amount.	M	M	M	Automatic workflow approval process in place. Requisition automatically routed to next level in organization. Prepopulated table of authorized amounts is checked.	Aut	R			
P2P	Acquisition	Approve Requisition	Item requested is not for government use	L	H	M	Automatic workflow approval process in place. Requisition automatically routed to next level in organization. Several levels of approvals are required, therefore the likelihood of this occurrence is low.	Aut	R			
			Internal sourced item is obsolete and does not comply with newest regulations	M	M	M	Internal sourcing is approved by supervisor in sourcing and manager of department requesting goods and/or services.	Man	R			

**Level of Likelihood**

**Factors:**

**Internal practices do not**

### Example of Likelihood

### Risk Factors:

- Actual practices do not reflect documented policies
- Misunderstanding of responsibility and/or accountability

<sup>1</sup> Likelihood and Impact as adapted from the COSO Framework.

<sup>2</sup> Most screen shots reference the PCS-Assess Worksheet, though the columns are the same for both PCS and ECS-Assess Worksheets





## Quick Start Guide 3 - Evaluating

Document Legend	
★	Professional Judgment
STOP	Required
NOTE	Note
TIP	Tip



### B. Evaluating and Rating Process and Entity Control Design Effectiveness

1. Review the Risk Assessment Column and supporting documentation associated with each control and rate and record the effectiveness of the control design. A drop down box is provided for selecting the ratings.



The following rating scale is used to assess effectiveness of controls. Throughout the phases these ratings will be applied to sub-processes, processes, and entity control areas.

The attester will review these ratings and supporting information in order to formulate the appropriate Field Office Assurance.

You may see some Processes and/or sub-processes with a status of "2-Initial Remediation" in the Control Design Effectiveness column. These do not require an evaluation at this time.

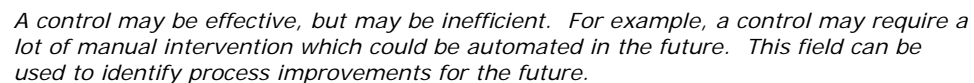
Control Design and Assessment Ratings		
NOT EFFECTIVE	2	Initial Remediation Controls ineffective and in remediation.
	3	Material Weakness Reportable condition, or combination of reportable conditions, that results in more than a remote likelihood that a material misstatement of the financial statements, or other significant financial reports, will not be prevented or detected.
	4	Reportable Condition A control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report external financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements, or other significant financial reports, that is more than inconsequential will not be prevented or detected
	5	Control Deficiency Control deficiencies exist when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A design deficiency exists when a control necessary to meet the control objective is missing or an existing control is not properly designed, so that even if the control operates as designed the control objective is not always met. An operation deficiency exists when a properly designed control does not operate as designed or when the person performing the control is not qualified or properly skilled to perform the control effectively.
	6	Controls Designed Effective Control will prevent and/or detect misstatements as designed
	7	Controls Test Effective Control will prevent and/or detect misstatements as implemented





3. (Optional) Determine and record if a control is inefficient using the drop down box provided.

AART: PCS Assess													
<div> <div>Version: 3.0</div> </div>													
Site		LLNL											
Attester		Dean Childs											
Implementer		Ard Geller											
Date Updated		February 22, 2006											
<div> <div>Insert Row</div> <div>Delete Row</div> </div>		<div> <div>Make sure the active cell is in the input section (below row 13) to use the Insert Row and Delete Row functions.</div> </div>											
		B2C					B2B					B2P	
		<div> <div>General Ledger Mgmt</div> <div>Funds Mgmt</div> <div>FBMT</div> <div>Cost Mgmt</div> <div>Insurance</div> <div>Grants</div> <div>Loans</div> <div>Acquisition</div> <div>Inventory Mgmt</div> <div>Payable Mgmt</div> </div>										<div> <div>Travel</div> <div>Revenue</div> <div>Receivable Mgmt</div> <div>Project Cost Mgmt</div> <div>Property Mgmt</div> <div>Seized Property Mgmt</div> <div>Human Resources</div> <div>Payroll</div> <div>Benefits</div> </div>	
Process Cycles	Processes	Sub Processes	Risks	Likelihood	Impact	Risk Assessment	Controls	Ctrl Type	Ctrl Freq	Control Dgn Effect	Test	Control Inefficacy	Remediation
P2P	Acquisition	Create Requisition	Person creates a requisition for an unauthorized amount.	M	M	M	Automatic workflow approval process in place. Requisition automatically routed to next level in organization. Prepopulated table of authorized amounts is checked.	Aut	R	6			No
P2P	Acquisition	Approve Requisition	Item requested is not for government use	L	H	H	Automatic workflow approval process in place. Requisition automatically routed to next level in organization. Several levels of approvals are required, therefore the likelihood of this occurrence is low.	Aut	R	6			No
P2P	Acquisition	Internal Sourcing	Internal sourced item is obsolete and does not comply with newest regulations	M	M	M	Internal sourcing is approved by supervisor in sourcing and manager of department requesting goods and/or services.	Man	R	5		yes	yes
<div> <div>Site AART</div> <div>Roll-in AART / FCS-Assess / FCS-Test</div> <div>PCS-Assess / PCS-Test</div> <div>Assessment Team</div> <div>Field Office - Site Acronyms</div> </div>													



4. Summarize the rationale used to determine the Control Design Effectiveness rating in the Evaluation Rationale/Comments column.

AART: PCS Assess		Version: 3.0		General Ledger Mgmt		Travel					
Site	LLNL	Y	P	Y	P	Y	P				
Initiator	Chen, Christi	Y	P	Y	P	Y	P				
Implementer	And Oeller	Y	P	Y	P	Y	P				
Start/Updated	February 22, 2009	Y	P	Y	P	Y	P				
Account Name	(Private Name)	Y	P	Y	P	Y	P				
<p>Make sure the active cell is in the input section (below row 13) to use the Insert Row and Delete Row functions.</p>		<p>General Ledger Mgmt</p> <p>Payroll Mgmt</p> <p>Cost Mgmt</p> <p>Insurance</p> <p>Grants</p> <p>Loans</p> <p>Acquisition</p> <p>Inventory Mgmt</p> <p>Payable Mgmt</p>		<p>Travel</p> <p>Revenue</p> <p>Procurement Mgmt</p> <p>Project Cost Mgmt</p> <p>Property Mgmt</p> <p>Seized Property Mgmt</p> <p>Human Resources</p> <p>Payroll</p> <p>Benefits</p>							
Process Code	Processes	Sub Processes	Risks	Controls	Ctrl Type	Ctrl Freq	Control Design	Control Test	Control Impact	Residual Plan	Evaluation Rationale
Y	P	Y	P	Y	P	Y	P	Y	P	Y	P
PCP	Acquisition	Create Requisition	Person creates a requisition for an unauthorized amount.	M	M	Y	M	Y	Y	Yes	Automation is designed well and is secure
PCP	Acquisition	Approve Requisition	Item requested is not for government use	M	M	Y	M	Y	Y	No	
PCP	Acquisition	Internal Sourcing	Internal sourced item is obsolete and does not comply with newest regulations	M	M	Y	M	Y	Y	Yes	





5. Summarize the overall Control Design Effectiveness for each Process or Area Assessment field based on professional judgment weighing the Control Design Effectiveness results for the associated sub-processes / sub-categories and controls (refer to section B.1 for explanation of ratings).

Assign the appropriate number (rating) in the Assessment fields using the drop down box.

AART: PCS Assess				<div> <div>Version: 0.0</div> </div>											
Site		LLNL		<div> <div>BPC</div> <div> <div>General Ledger Mgmt</div> <div>Funds Mgmt</div> <div>FBMT</div> <div>Cost Mgmt</div> <div>Insurance</div> <div>Grants</div> <div>Loans</div> <div>Acquisition</div> <div>Inventory Mgmt</div> <div>Payable Mgmt</div> </div> </div>		<div> <div>PPP</div> <div> <div>5</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> </div> </div>		<div> <div>PPP</div> <div> <div>Travel</div> <div>Revenue</div> <div>Receivable Mgmt</div> <div>Project Cost Mgmt</div> <div>Property Mgmt</div> <div>Seized Property Mgmt</div> <div>Human Resources</div> <div>Payroll</div> <div>Benefits</div> </div> </div>		<div> <div>QDC</div> <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> </div> </div>		<div> <div>PJA</div> <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> </div> </div>		<div> <div>EIM</div> <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> </div> </div>	
Attester		Dean Childs													
Implementer		Ard Geller													
Date Updated		February 22, 2006													
Insert Row		Delete Row													
<p>Make sure the active cell is in the input section          (Below row T3) to use the Insert Row and Delete Row functions.</p>															
Process Cycle	Processes	Sub Processes	Risks	Likelihood	Impact	Risk Assessment	Controls	Type	Frequency	Control Effectiveness	Control Mitigation	Recovery Plan	Completion		
2P2	Acquisition	Create Requisition	Person creates a requisition for an unauthorized amount.	M	M	M	Automatic workflow approval process in place. Requisition automatically routed to next level in organization. Prepopulated table of authorized amounts is checked.	Aut	R	S		Ho	Auto		
2P2	Acquisition	Approve Requisition	Item requested is not for government use	L	H	H	Automatic workflow approval process in place. Requisition automatically routed to next level in organization. Several levels of approvals are required, therefore the likelihood of this occurrence is low.	Aut	R	S		Ho			
2P2	Acquisition	Internal Sourcing	Internal sourced item is obsolete and does not comply with newest regulations	M	M	M	Internal sourcing is approved by supervisor in sourcing and manager of department requiring goods/wearable services.	Man	R	S	yes	yes			
<div> <div>Site AART</div> <div>Rollup AART</div> <div>PCS-Assess</div> <div>PCS-Test</div> <div>PCS-Assess</div> <div>PCS-Test</div> <div>Assessment</div> <div>Team</div> <div>Field Office - Site Acronyms</div> </div>															

6. Enter the location of the document explaining the rationale used to determine the rating.

AART: PCS Assess						Version: 3.0																			
Site		LLNL				B/C		General Ledger Mgmt				P/P		Travel											
Attester		Dean Childs				Y		Funds Mgmt				Q/QC		Revenue											
Implementer		And Geller						FBMT				PQA		Receivable Mgmt											
Date Updated		February 22, 2006						Cost Mgmt				Y		Project Cost Mgmt		G									
								Insurance						Property Mgmt											
								Benefits						General Property Mgmt											
								Loans						Human Resources											
						Y		Acquisition				E/M		Payroll		G									
						Y		Inventory Mgmt				Y		Benefits											
						Y		Payable Mgmt																	
Process Cycle		Processes		Sub Processes		Impact		Risk Assessment		Controls		CR# Type		CR# Effct		Test		Control Interface		Remediation Plan		Evaluation Rating / Comments		Supporting Documentation (where documentation is filed)	
P/P	Acquisition	Create Requestion	M	M						Automatic workflow approval process in place. Requestion automatically routed to next level in organization. Prepopulated table of authorized amounts is checked.	Aut	R	G		No					Automation is designed well and secure			AIR Server ALSDSERVERNAME in SMB123 folder		
P/P	Acquisition	Approve Requestion	H	H						Automatic workflow approval process in place. Requestion automatically routed to next level in organization. Several levels of approvals are required, therefore the likelihood of this occurrence is low.	Aut	R	G		No										
P/P	Acquisition	Internal Sourcing	M	M						Internal sourcing is approved by supervisor in sourcing and manager of department requesting goods and/or services.	Man	R	G		yes	yes									



## Quick Start Guide 3 - Evaluating

Document Legend	
★	Professional Judgment
STOP	Required
NOTE	Note
💡	Tip

7. For the Entity Control Evaluation, an Overall Control Assessment must be determined.

Rate and record the Overall EC Control Assessment based on professional judgment weighing the Control Design Effectiveness results for the area ratings.

Figure 9

<b>AART: ECS Assess</b> <span>3.0</span>			<b>Overall Assurance</b> <span>6</span>										
Site	LLNL												
Attester	Dean Childs												
Implementer	Shoshi Geller												
Date Updated	February 22, 2006												
<b>Duplicate Row</b> <i>Make sure the active cell is in the input section (below row 12) to use the Insert Row and Delete Row functions.</i>													
Cycle	Area	Sub-Category	Likelihood	Impact	Risk Assessment	Controls	Ctrl Type	Ctrl Freq	Control Design Effectiveness	Test	Control Inefficiency	Remediation Plan	
EC	Control Environment	Integrity and Ethical Values	L	M	L	Required yearly ethical conduct awareness program. Signed certificate of participation by employee.	Man	A	6			No	98% return
EC	Control Environment	Commitment to Competence	H	H	H	Annual validation of skills of employee to the Job Skill requirements. Validation of skills prior to any transfer of an employee to a new position.	Man	A	6			No	
Site AART / Rollup AART / <b>ECS-Assess</b> / ECS-Test / PCS-Assess / PCS-Test / Assessment Team / Field Office - Site Acronyms													



Surveys can be used to determine the Entity Control Effectiveness ratings.

8. The Site AART tab in the AART Toolkit is automatically populated with the process and overall entity control assessment ratings. In doing so, it distributes the ratings to the affected accounts.

Figure 10

<b>AART: Site</b> <span>3.0</span>		Site: Lawrence Livermore National Lab		AART Type: Site																															
Attester: Dean Childs		Site Codes: LLNL																																	
Rating		B2C		P2P		P2A		P2B																											
Aest		General Ledger Mgmt		Funds Mgmt		FEB/T		Cost Mgmt		Insurance		Grants		Loans		Acquisition		Inventory Mgmt		Payable Mgmt		Travel		Revenue		Receivable Mgmt		Project Cost Mgmt		Property Mgmt		Seized Property Mgmt		Human Resources	
Process Cycle		EC		B2C		P2P		P2A		ERM																									
Balance Sheet		Intragovernmental Fund Balance with Treasury		5		5		5		5		5		5		5		5		5		5		5		5		5		5		5			
		Intragovernmental Investment																																	
		Intragovernmental Regulatory Assets																																	
		Accounts Receivable, Net																																	
		Nuclear Materials		5		5		5		5		5		5		5		5		5		5		5		5		5		5		5			
		Strategic Petroleum and Northeast Home Heating Oil Reserve																																	
		General Property, Plant and Equipment		0		5		6		6		0																							
		Regulatory Assets																																	
		Other non-intragovernmental assets		0		5		6		0																									
		Intragovernmental debt																																	
		Intragovernmental appropriated																																	
Site AART		Rollup AART		ECS-Assess		ECS-Test		PCS-Assess		PCS-Test		Assessment Team		Field Office - Site A																					









9. Once all affected accounts have been rated, assign an overall Rating for the Site / Field Office/ LPSO using professional judgment.

[illegible]



Document Legend	
	Professional Judgment
	Required
	Note
	Tip

### C. Update the Rollup AART



## REQUIREMENTS

This step must be performed by the Field Office or LPSO Assessment Team lead.

*Field Offices and LPSOs have different processes for FY 2006.  
Starting in FY2007 the rollup process will be the same*

**FIELD OFFICE ONLY**

1. Starting in cell Y9 of the Site AART, copy all of the automatically populated ratings for the accounts and process cycles. (Cells Y9 through AE51)

**Figure 12**

Y9	fx																								
	A	B	C	F	G	J	M	P	S	V	Y	Z	AA	AB	AC	AD	AE	AF							
1	AART: Rollup										Kansas City-Rollup					Kansas City									
2	Kansas City																								
3	Site KC										Site-KC					Site-KC									
4	Attester															Dennis Martinez									
5	Overall Assurance															6-Control Design Eff									
7	Material Account					Acct Status					MAD	EC	B2C	P2P	Q2C	P2A	ERM	MAD	EC	B2C	P2P	Q2C	P2A	ERM	
8	Balance Sheet																								
9	Intragovernmental Fund Balance with Treasury																								
10	Intragovernmental Investment																								
11	Intragovernmental Regulatory Assets																								
12	Accounts Receivable, Net																								
13	Nuclear Materials										0														
14	Strategic Petroleum and Northeast Home Heating Oil Reserve																								
15	General Property, Plant and Equipment										0														
16	Regulatory Assets																								
17	Other non-intragovernmental assets																								
18	Intragovernmental debt																								
19	Intragovernmental appropriated capital owned																								
20	Accounts Payable										0														
21	Debt																								
22	Deferred Revenue and other credits																								
23	Environmental Liabilities																								



## Quick Start Guide 3 - Evaluating

Document Legend	
	Professional Judgment
	Required
	Note
	Tip

- Navigate to the Rollup tab of the workbook that will consolidate the data for oversight purposes (i.e., the Field Office AART), find the correct predefined Site or Field Office section and select the first cell of the Material Accounts listing (for example, cell AF9 for KC).

Figure 13

The screenshot shows the 'Rollup AART' tab in an Excel workbook. The 'Material Accounts' section is highlighted in yellow. The first cell of the Material Accounts listing for Kansas City (KC) is cell AF9. A red arrow points to this cell. The table below is a simplified representation of the data shown in the screenshot.

Material Account	Acct Status	MAD	EC	B2C	P2P	Q2C	P2A	ERM	MAD	EC	B2C	P2P	Q2C	P2A	ERM	MAD	EC	B2C	P2P	Q2C	P2A	ERM	MAD	EC	B2C	P2P	Q2C	P2A	ERM
Intragovernmental Fund Balance with Treasury	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Intragovernmental Investment																													
Intragovernmental Regulatory Assets																													
Accounts Receivable, Net																													
Nuclear Materials	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Strategic Petroleum and Northeast Home Heating Oil Reserve																													
General Property, Plant and Equipment																													
Regulatory Assets																													
Other non-intragovernmental assets																													
Intragovernmental debt																													
Intragovernmental appropriated capital owned																													
Accounts Payable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt																													
Deferred Revenue and other credits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Environmental Liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



### SPECIAL ATTENTION REQUIRED

It is critical that the "Paste Special" functionality is used and that just values are pasted into the Rollup AART (see below for details).

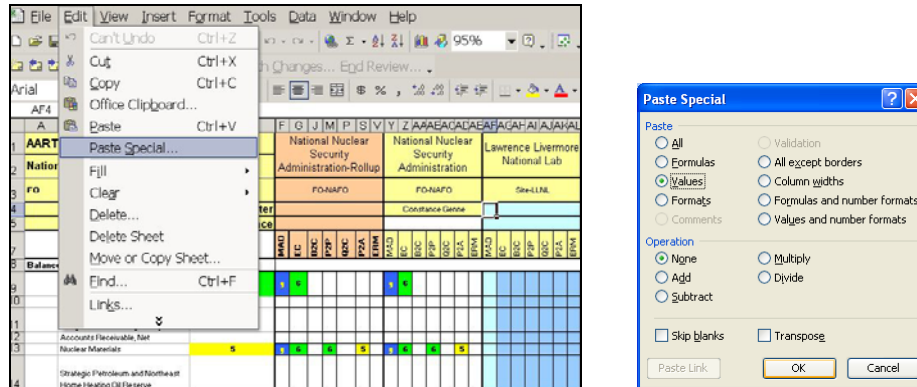


## Quick Start Guide 3 - Evaluating

Document Legend	
★	Professional Judgment
STOP	Required
NOTE	Note
💡	Tip





3. Paste Special the results as follows: Go to Edit → Paste Special and select the values radio button. Click OK.

**Figure 14**



4. Repeat steps 1-3 for the Rollup Overall rating
  - a. Copy cells Y5 through AE 5 from the Site AART Rollup.
  - b. Navigate to the appropriate cell block for that Site in row 5.
  - c. Go to Edit → Paste Special and select the values radio button.
  - d. Click OK.



Document Legend	
	Professional Judgment
	Required
	Note
	Tip

**LPSO ONLY**

- Starting in cell F9 of the Field Office AART, copy all the automatically populated ratings for the accounts and process cycles. (Cells F9 through V51)

**Figure 15**

[illegible]





## Quick Start Guide 3 - Evaluating

Document Legend	
	Professional Judgment
	Required
	Note
	Tip

- Navigate to the Rollup tab of the workbook that will consolidate the data for oversight purposes (i.e., the LPSO AART), find the correct predefined Field Office section and select the first cell of the Material Accounts listing (for example, cell AF9 for NNSA).

Figure 16

AF9		31		NNSA		NNSA		National Nuclear		Pittsb	
AART: Rollup		Administration-Rollup		Administration		National Nuclear		Security		Administration	
NNSA Administration		PGM-NNSA		PGM-NNSA		FO-NNSA		FO-P			
PGM NNSA		Attester									
		Overall Assurance									
Material Account		Acct Status		MAD		EC		PSP		MAD	
Balance Sheet											
Intragovernmental Fund Balance with											
Treasury											
Intragovernmental Investment											
Intragovernmental Regulatory Assets											
Accounts Receivable, Net											
Nuclear Materials											
Strategic Petroleum and Northeast											
Home Heating Oil Reserve											
General Property, Plant and Equipment											
Regulatory Assets											
Other non-intragovernmental											
Intragovernmental debt											
Intragovernmental appropri-											
owned											
Accounts Payable											
Debt											
Deferred Revenue and other											
Environmental Liabilities											
Pension and other actuarial liabilities											
Other liabilities											
Contingencies and commitments											
Unexpended appropriations											
Statement of Net Costs											

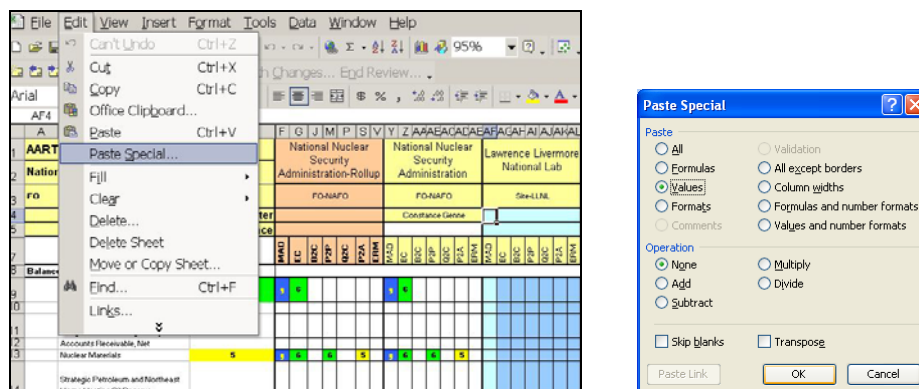


### SPECIAL ATTENTION REQUIRED

It is critical that the "Paste Special" functionality is used and that just values are pasted into the Rollup AART (see below for details).

- Paste Special the results as follows: Go to Edit → Paste Special and select the values radio button. Click OK.

Figure 17





## Quick Start Guide 3 - Evaluating

Document Legend	
	Professional Judgment
	Required
	Note
	Tip

8. Repeat steps 1-3 for the Rollup Overall rating
  - a. Copy cells F5 through V5 from the Site AART Rollup.
  - b. Navigate to the appropriate cell block for that Site in row 5.
  - c. Go to Edit -> Paste Special and select the values radio button.
  - d. Click OK.

### ***D. Update the Implementation Plan***

1. Document the results of the evaluation activities performed
2. Review Implementation Plan for accuracy
3. Make and track necessary changes



*Major changes to the Implementation Plan will need to be reported in the Quarterly Report.*



# Quick Start Guide 3 - Evaluating

Document Legend	
	Professional Judgment
	Required
	Note
	Tip

## REFERENCES

**See CFO A-123 Website for suggested reading material:**

OMB A-123 Appendix A  
CFO Council Implementation Guide for OMB Circular A-123  
Financial Audit Manual (GAO-01-765G)  
DOE OMB Circular A-123, Appendix A, Implementation Plan  
DOE Interim Guidance for OMB Circular A-123  
FY 2005 Audit Report  
FY 2005 Management Letter

## ADDITIONAL INFORMATION

Refer to the CFO A-123 website which will be updated with latest materials including tools, FAQs and additional reading material.

(<http://www.cfo.doe.gov/progliaison/doeA123/index.htm>)

## DEFINITIONS

Word	Definition
Attester	The person who will be required to affirm the authenticity of information for the LPSO.
Cognizant Secretarial Office (CSO)	Headquarters Elements that provide significant funding to Field Offices overseen by the LPSOs.
Field Office (FO)	Location where the Site Assessment Team manages the A-123 Implementation for its Sites. Only the Field Office provides assurance to the LPSO.
Headquarters Element	Lead Program Secretarial Office or Headquarters Business Program that is affected by the financial reporting requirements of OMB A-123, Appendix A.
Implementer	The person responsible for executing the activities to support the Attester's affirmation.
Lead Program Secretarial Office (LPSO)	Headquarters Element whose cognizance includes those Field Offices that are affected by the financial reporting requirements of OMB A-123, Appendix A. These LPSOs provide oversight activities to Field Offices that directly impact the accounts determined to be material to the Department's financial statements.
Process	The highest level of sub-processes within a process cycle.
Process Cycle	An end-to-end sequence of events consisting of the methods and records used to establish, identify, assemble, analyze, classify, and record transactions. <sup>4</sup>
Site	Unit of a Field Office including the Field Office federal activities and its contractors (both integrated and non-integrated). Predefined by Headquarters.

<sup>4</sup> Adapted from the CFO Council Implementation Guide



## Quick Start Guide 3 - Evaluating

Document Legend	
★	Professional Judgment
STOP	Required
NOTE	Note
💡	Tip

### NEXT PHASE

